

Public Placement Fund (PPF)
And
Local Tax Effort Billback (LTE)
Manual



Missouri Department of Elementary & Secondary Education
Special Education Funds Management

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PREFACE

The purpose of this manual is to provide assistance to districts on the following issues:

- The identification of students for whom public school districts may seek excess cost reimbursement for educational services per Section 167.126, RSMo.
- The identification of students for whom public school districts may bill the domicile district for local tax effort (LTE).
- Determining the domicile district
- Local tax effort (LTE) billbacks
- Completing the application for Excess Costs for Public Placement Fund (PPF)

NOTE: The Department of Social Services (DSS) has reorganized and the Division of Family Services (DFS) is now the Children's Division (CD). We have updated this manual to reflect the change from DFS to CD. Please keep in mind that references to CD and DFS are synonymous.

TECHNICAL ASSISTANCE IS AVAILABLE FROM:

Division of Special Education - Funds Management Section 573-751-0622

Linda Sneller, Assistant Director: 573/522-1076 or linda.sneller@dese.mo.gov

Shelley Witherbee, Supervisor: 573/522-2523 or shelley.witherbee@dese.mo.gov

ELIGIBILITY FOR PPF

School districts are required to assume the educational responsibilities for non-domiciled students, placed within their boundaries by the Department of Social Services – Children’s Division (CD), Department of Mental Health (DMH), Division of Youth Services (DYS), or a court of competent jurisdiction. Students who have been placed by one of these agencies into any type of publicly contracted residential site in Missouri are considered students in public placement and are eligible for reimbursement from the Excess Cost for Public Placement Fund (PPF).

Districts may seek reimbursement from the Excess Cost for Public Placement Fund for any student who is placed in a public school district different from the domicile of the student’s legal guardian(s), and who lives in the district as the result of a placement arranged by or approved by one of the following agencies:

1. Department of Mental Health (DMH)
2. Department of Social Services (DSS), Children’s Division (CD)
 - This includes CD placements with foster parents
3. Department of Social Services (DSS), Division of Youth Services (DYS)
4. A court of competent jurisdiction.
 - Students placed in county juvenile facilities are considered publicly placed for educational responsibility purposes and do qualify for this fund.

ELIGIBILITY FOR LOCAL TAX EFFORT (LTE) BILLBACK

Districts may billback for local tax effort to the domicile district for:

1. Any student who is eligible for the PPF
2. Any student who is privately placed (i.e., students not placed by CD, DMH, DYS, or a court of competent jurisdiction) in residential facilities (institutions) in your school district.
 - “Institution” is defined in section 167.126 as a facility organized under the laws of Missouri for the purpose of providing care and treatment of juveniles.

District may not billback for local tax effort when the following apply to the parents or legal guardians:

1. Parental rights have been terminated
2. Both parents/legal guardians are incarcerated
3. The student is an orphan, or
4. Parents/legal guardians do not reside and do not pay taxes in a Missouri school district.

NOTE:

- ❖ If the student has been adopted or appointed a legal guardian through the courts, the district in which the adoptive parents or legal guardians reside becomes the domicile district.
- ❖ There is no LTE bill back for a child who is living with someone who is acting as a parent (i.e., a relative or a friend). In this case the student becomes a resident of the acting parent’s district.

DETERMINING THE DOMICILE DISTRICT

The domicile of a child is the school district in which his/her parent(s) or legal guardian(s) reside. This domicile district is the one to which the student would return if released from the custody of CD, DMH, DYS, or a court of competent jurisdiction. If the parents have moved to another district during the student's residential placement, the domicile district becomes the new district to which the parents have moved.

Research may be necessary to obtain the name of the domicile district. Information supplied by the student's CD, DMH, or DYS caseworker, or requests to the residential facility or DESE may be necessary. The serving district can then bill the domicile district for local tax effort.

For children placed by the court, information may be obtained by contacting the child's juvenile officer. If the juvenile officer is unknown, a copy of the Juvenile and Family Court Directory may be obtained from the Missouri Juvenile Justice Association, PO Box 1332, Jefferson City, Missouri 65102-1332.

It is beneficial for the district to obtain necessary information for publicly placed children at the time of enrollment of the student. The Department of Elementary and Secondary Education and the Children's Division (CD), which was formerly named the Division of Family Services (DFS), have an agreement to exchange specific information regarding publicly placed children. DFS instructed their field offices as follows:

"County offices should expect to begin receiving requests for information from school districts where foster children have attended school during the time that they were in the Division's custody. To facilitate these requests in a timely and consistent manner, each county office will need to designate a liaison person who will be responsible for providing the information available pursuant to our cooperative agreement. It is not a requirement that the liaison person be a Children's Services person (i.e. clerical or other support staff may perform this function)."

A sample form to facilitate the information is included as Appendix C: Information Request/Response.

LOCAL TAX EFFORT (LTE) BILLBACK

Patrons pay local property taxes to their domicile district and this district should remit to the serving district the amount of local tax effort per day times the number of days a non-domicile student attended the serving district. Section 167.126(2) & (3), RSMo. requires the reimbursement of local tax effort to the serving school district. See (Appendix D) sample letter -Notification of Intent to Bill (LTE) and (Appendix E) sample letter - Billing for (LTE) for information to be included. The Notification of Intent to Bill letter should be sent upon enrollment of the student and identification of the domicile district. The billing of local tax effort is normally done shortly after the close of a school year.

Local tax effort is computed by each district and reported to DESE in the Annual Secretary of the Board Report (ASBR) submitted by August 15 each year. A report of local tax effort for each school district in Missouri is available from DESE, School Finance Section beginning in February (telephone: 573-751-0357). This information is also available on the DESE web page at: <http://dese.mo.gov/divadm/finance/local/>

Section 167.126 (9), RSMo permits districts serving publicly placed children to bill DESE for local tax effort. This is subject to DESE receiving an appropriation for such and the students billed can only be those who are also billed to DESE for excess cost. Depending on appropriation, payment for local tax effort by DESE may be prorated. Any remaining balance not paid by DESE may be billed to the domicile district.

Districts may billback the local tax effort to the domicile district for any children who are privately placed in your school district. However, excess cost may not be billed to DESE for these children.

When a district receives a billing for Local Tax Effort (LTE), procedures need to be in place to confirm or deny payment for a student. Possible steps to be taken by the district billed when questions arise would include:

- Check district database for past enrollment of student.
- Follow-up on address supplied by serving district-school district maps, bus route maps, post office, utility companies, telephone directory, etc.
- Call DFS caseworker for additional information.
- Check county assessor's office for school district where property and/or personal taxes are paid.

INSTRUCTIONS FOR COMPLETING THE EXCESS COST FOR PUBLIC PLACEMENT FUND (PPF) APPLICATION

At the end of each school year attendance and expense information needs to be collected to complete the excess cost application. Districts need to verify placement status during the time period for which excess costs are claimed for students included on the excess cost application. After determining the cost of educating students in public placement, the district should compute the revenues generated by the students on the application. Total revenues are subtracted from the costs to determine the excess cost, if any, for educating a publicly placed non-domicile student. Excess cost reimbursement to districts may be prorated, depending upon appropriations.

A copy of the PPF application and instructions for completing the application can be found on our website at: <http://dese.mo.gov/divspeced/Finance/PPFindex.html>

ASSURANCES, RECORDS AND BILLING SUBMISSION

1. SIGNATURE NEEDED

The superintendent of the school district or a designee must sign the application for "Excess Cost". In doing so he/she agrees that the information provided is accurate and supporting documentation is on file at the LEA.

2. RECORDS ON FILE FOR POSSIBLE MONITORING

Records which support the district's billing for excess cost should be kept on file for at least five years by the school district. These records should include the information that led to the calculations for annual per pupil costs in excess of the cost of educating other students within the serving district.

3. DEADLINE FOR SUBMISSION OF BILLING AND PAYMENTS

Applications for excess cost recovery submitted to DESE **must be postmarked by October 15** of the year following educational services. .

Submit the application to:

Department of Elementary & Secondary Education
Division of Special Education – Funds Management
Post Office Box 480
Jefferson City, MO 65102-0480

SUGGESTED BASIC ACTIONS BY NON-DOMICILE DISTRICTS EDUCATING STUDENTS IN PUBLIC PLACEMENT

When a student who have been publicly placed by DMH, CD (DFS), DYS, or a court of competent jurisdiction enrolls in your district, the following actions should take place:

- A) Obtain the following information
 - Student's Name
 - Department Client Number (DCN) or equivalent
 - Date of Birth (DOB)
 - Social Security Number (SSN)
 - Agency Involved – Children's Division (CD), Department of Mental Health (DMH), Division of Youth Services (DYS)
 - County of Referring Agency
 - Referring Agency Case Worker
 - Domicile district of legal parent(s)/guardian(s)
 - Parent(s)/Guardian(s) Name
 - Parent(s)/Guardian(s) Address
 - Last LEA serving
- B) Contact CD for personal information regarding the student, including parent's address and if the parent's rights for the student have been terminated (Appendix C).
- C) Request educational records including diagnostic summary and IEP. When a student leaves a district, the CD caseworker will notify the district and provide forwarding information (Appendix F). Appendix G is utilized when the receiving district does not receive related records from sending district.
- D) Determine presence of any Safe Schools Act violations in previous schools.
- E) Determine eligibility for EDUCATIONAL SURROGATE PROGRAM.
- F) Send a letter to the domicile district informing them of the student's enrollment and intent to bill for local tax effort. (Appendix D)
- G) Record attendance.
- H) Bill the domicile district for local tax effort (Section 167.126 (2), RSMo.). (Appendix E)
- I) Complete application for Public Placement Fund and submit to DESE by no later than October 15, 2004

Appendix A - STATUTE-Section 167.126, RSMo.

<http://www.moga.state.mo.us/statutes/C100-199/1670126.HTM>
(Click hyperlink to view statute above).

Appendix B – Missouri State Regulation 5CSR 70-742.165

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
Division of Special Education
RULE

5 CSR 70-742.165 State Agency Payments to School Districts for Educational Services

PURPOSE: This rule establishes criteria for payment to school districts which are not the legal domicile of children placed in programs or facilities operated by the department of mental health or placed by the department of social services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.

- (1) The Department of Elementary and Secondary Education shall expend general revenue appropriated to fund the excess cost of educational services provided to a child (a) whose domicile is in one district but is placed in programs or facilities operated by the Department of Mental Health or resides in another district pursuant to assignment by that department; or (b) whose domicile is in one district but is placed by the Division of Family Services into any type of publicly contracted residential site in Missouri; or (c) whose domicile is in one district but is placed by a court of competent jurisdiction into any type of publicly contracted residential site in Missouri. The Department of Elementary and Secondary Education shall pay the serving school districts the excess cost of services provided, e.g., an amount by which the per pupil costs of the educational services exceeds the funds received from the domiciliary school district and from other state and federal sources.
- (2) Serving school district may submit requests of payment for educational services to the Department of Elementary and Secondary Education, Division of Special Education. Requests for payment will be accepted no later than October 1 following the school year during which billable services were delivered.
- (3) Serving school district shall use forms prescribed by the Department of Elementary and Secondary Education when submitting requests for payment.
- (4) The Department of Elementary and Secondary Education will determine excess cost payments based on expenditure data for the first year preceding the delivery of services.
- (5) Payments to the serving district may be prorated based on funds appropriated for this purpose.

Authority: Chapter 167.126 (4) & (5), RSMo.

Appendix C – Form – Information Request/Response

| LEGAL RELEASE OF CONFIDENTIAL INFORMATION TO SCHOOL DISTRICT | |
|--|--|
| SECTION A – To be completed by the school district/DESE | |
| Child's Name: | |
| Date of Birth: | |
| Social Security Number: | |
| Departmental Client Number (DCN) if known: | |
| Dates of attendance for billback: | _____ - _____-20_____ to _____ - _____-20_____ |
| Request from: | _____ at _____ (name of person) (school district) |
| By accepting this information I/we agree not to re-release any information or to use it for any purpose other than the administrative activities authorized by the cooperative agreement between DESE and the Division of Family Services. | |
| SECTION B – To be completed by the county DFS office liaison | |
| 1. Was the above named child in DFS custody (LS-1) during the above listed dates? _____yes _____no If yes, go to #2. If no, STOP! | |
| 2. Was the above named child placed in the above named school district during the dates specified? _____yes _____no If yes, go to #3. If no, STOP! | |
| 3. Were the parents' rights of the above named child terminated either prior to or during the dates specified? _____yes _____no If yes, STOP! If no, go to #4. | |
| 4. Please list the following information (if known): | |
| <u>Mother</u> | <u>Father</u> |
| Address: | Address |
| State, Zip Code: | State, Zip Code: |
| DFS Liaison: _____ at _____ (name) (county office) | |
| Date: | |

APPENDIX D - Sample Letter – Notification of Intent to Bill Local Tax Effort

Date

Superintendent
School District
Street Address
City, State, Zip Code

Dear:

This letter will serve as notification of our district's intent to bill for local tax effort as per Section 167.126 (2), RSMo. Our records indicate that the official domicile of the student identified is currently within your school district.

Student Name:
D.O.B.:
Date Enrolled:
Responsible Party:
Address: (Street, City, State, Zip Code)

Billings are determined by information reported to DESE in the Annual Secretary of the Board Report submitted by August 15 each year. A report of local tax effort is available from DESE, School Finance Section. Your school district will be billed an amount equal to the local tax effort per day of your district multiplied by the total number of days the student named received educational services from this district.

If this student's address is not within your district, please notify our district immediately. If you should have questions or concerns regarding this notification, please contact our district.

Sincerely,

APPENDIX E - Sample Letter – Billing for Local Tax Effort

Date

Superintendent
School District
Street Address
City, State, Zip Code

Dear:

This letter will serve as notification of our district's intent to bill for local tax effort as per Section 167.126 (2), RSMo. Our records indicate that the official domicile of the student identified is currently within your school district.

Student Name:
DOB:
SSN:
DCN:
Date Enrolled:
Student Billed Past Years: Y/N
Responsible Party:
Relationship:
Address: (Street, City, State, Zip Code)
Case Worker:
Phone Number:

Billings are determined by information reported to DESE in the Annual Secretary of the Board Report submitted by August 15 each year. A report of local tax effort is available from DESE, School Finance Section. Your school district will be billed an amount equal to the local tax effort per day of your district multiplied by the total number of days the named student received educational services from this district.

Total days in attendance (include dates) during the ____ school year: ____

Your per pupil local tax effort for the ____ school year is \$ ____ / 174 school days = per pupil local tax generated per day \$ ____.

This school district has provided educational services ____ days x your average daily effort rate of \$ ____ =
TOTAL AMOUNT DUE: \$ ____.

Please remit amount due to:

Sincerely,

**MISSOURI DEPARTMENT OF SOCIAL SERVICES
DIVISION OF FAMILY SERVICES**

SCHOOL RECORDS REQUEST

Current School of Attendance: _____

Fax Number: _____

Child's Name: _____ Child's DOB: _____

Child's Grade: _____

The above named student is expected to withdraw from your school on _____ and is in the legal custody of the Division of Family Services. I/We hereby give permission to provide the following school records, directly to the responsible party listed below, within five (5) working days of receiving this request:

Immunization Records

Current Diagnostic Summary (*If Receiving Special Education Services*)

Current Individual Education Plan or 504 Plan (*If Receiving Special Education Services*)

Disciplinary Records from the past 12 months

Signature: _____

Children's Service Worker: _____

Date of Request: _____

Children's Service Worker's Phone: _____ FAX: _____

DFS County Office: _____

SECTION A – Please provide the above listed records to the following school:

School Name: _____

School Address: _____

City: _____ State: _____ Zip Code: _____

SECTION B – Please provide the above listed records to:

Recipient: _____

Address: _____

City: _____ State: _____ Zip Code: _____

APPENDIX G – Form – Notification to DESE of Non-Receipt of Records

Reporting District Information:

District Name: _____

County District Code: _____

Contact Name: _____

Telephone Number: _____

Student Information:

Student Name: _____

Social Security Number: _____

Birth Date: _____

Date of Enrollment: _____

Sending District Information:

Sending District: _____

Reason given for refusal to forward student records: _____

Submit Form to:

Missouri Department of Elementary and Secondary Education
Division of Special Education, Funds Management
PO Box 480
Jefferson City, Missouri 65102
Fax Number: 573/526-4404

APPENDIX H – Procedure – DESE Administrative Procedure for Assuring Serving Districts Local Tax Effort Payments

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF SPECIAL EDUCATION
ADMINISTRATIVE PROCEDURE

Assuring Serving Districts Local Tax Effort Payments for Out of District Placements

PURPOSE: This procedure, used to implement Chapter 167.126(3), RSMo., establishes the process for collection of local tax effort by school districts which are not the legal domicile of children placed in programs or facilities operated by the Department of Mental Health or placed by the Department of Social Services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.

- (1) The serving district for which local tax effort payments were not received within 45 days after a voucher was submitted to the domicile district shall submit to the Department of Elementary and Secondary Education, Division of Special Education, the names of students, dates of attendance, and written documentation of address information for parent(s) inclusive of the dates for which local tax effort was billed. Such address information shall establish a domicile school district and come from the public placing agency.
- (2) Within 15 days of the receipt of correspondence from a serving district alleging the delinquent payment of a local tax effort charge by a domicile district, the Department of Elementary and Secondary Education will send a letter of notification to the domicile district of the intent to withhold an appropriate amount, based on the verification of domicile via records from the state placing agency, of state aid due the serving district. The domicile district may submit a written request for copies of documentation to be considered in the decision to deduct state aid payments.
- (3) The domicile district may request within 30 days of the date of the notification letter to appeal the decision or to submit verification of non-residency for each student whose domicile is contested. This appeal shall be made to the Assistant Commissioner of the Division of Special Education.
- (4) The Department of Elementary and Secondary Education shall review appeals and render a written decision within 30 days of the receipt of the appeal letter from the domicile district.
- (5) The Department of Elementary and Secondary Education shall deduct from public school state aid payments intended for the domicile district that portion of the local tax effort which has not been paid to the serving district for pupils placed in programs or facilities operated by the Department of Mental Health or placed by the Department of Social Services or a court of competent jurisdiction into any type of publicly contracted residential site in Missouri.

“The Missouri Department of Elementary and Secondary Education does not discriminate on the basis of race, color, national origin, sex, disability, or age in its programs and activities. Inquiries related to Department programs may be directed to the Jefferson State Office Building, Title IX Coordinator, 5th Floor, 205 Jefferson Street, Jefferson City, Missouri 65102-0480; telephone number 573-751-4581.”